

Mr. Speaker, it was, once again, an honor to come before the House, and I look forward to coming back. As we break for this week, hopefully we will come back ready to do business at the top of next week.

I feel good about the direction that this debate is going in; the Republican response after the President's address, a lot of things that we agree on. That means that we are heading north on this issue.

Thank you, Mr. Speaker. I yield back the balance of my time.

#### HEALTH CARE REFORM

The SPEAKER pro tempore (Mr. CARSON of Indiana). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, as always, it is an honor to address you on the floor of the House of Representatives.

I came down to get my material. I had prepared to rebut the gentleman from Florida, and I found myself a little bit void with major objections with what he had to say; in fact, I appreciate the tone of the gentleman in his presentation, his delivery. We will find places where we disagree, and it's important that we find places also where we can agree.

I would say, Mr. Speaker, that it did not contribute to bipartisanship to have the resolution that addressed JOE WILSON here this week. That dropped a partisan divide down between this Chamber. And if anybody thinks we are more likely to get a good solution for America on health care or anything else because of that, they would be completely mistaken, Mr. Speaker. So I make that point at the beginning of this.

I appreciate the bipartisan dialogue of the gentleman from Florida. We recognize that we come from two different places philosophically. The world looks entirely different if you look at it from the side of constitutionalism and free enterprise and individual responsibility than it does if you look at it from the standpoint that the government should be providing the resources to people for whatever reason might be their misfortune.

In fact, I serve on the Judiciary Committee, and I've been on that committee, between Congress and my time in the Iowa Senate, my 13th year. I'm one of those rare nonlawyers on the Judiciary Committee, Mr. Speaker, and so I tell the lawyers that that gives me a decided advantage in my approach.

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In any case, this country is a country that is established on the rule of law, on our constitutional values and on personal responsibility. When we do those things that take away personal responsibility and when we punish the people who are the most productive among us and when we take away their

incentives to continue to be more productive, they have more of a tendency than to slow down their productivity. Some of them stop. Some of them will decide, well, I can't keep funding this government that's asking for more and more of the sweat from my brow or is asking for the return on the capital that they have formed, so they give up or they move their companies overseas to places like China or India or they simply don't add onto the production line of the factory. Whatever the case may be, we get less growth in our economy when we punish the people who are producing.

Ronald Reagan had a way of expressing that, and I don't know if I can get it exactly right: If you tax something, then you are punishing it. If you subsidize something, you can expect it to grow because whatever you subsidize will grow, and whatever you tax will shrink. Reagan had a clear understanding of this, and we need to have a better understanding here amongst the consensus in the House of Representatives. There always is another story. There always is another anecdote. There always is another tear-jerking way of looking at an individual case or even at aggregating some smaller cases that may not represent the broader whole.

We need to be a wise body in the House of Representatives, a wise body that looks at empirical data and that understands the psychology of the people in this country. Our job is to improve the average annual productivity of the people in the United States of America. If we do that, we will increase then the average annual productivity, of course, and it will improve the quality of life, the standard of living, and it will expand technology and medicine—anything you want to address. Yet, if we turn the safety net into a hammock, if we take that net that keeps them out of the bottom and we crank it up to the point where it becomes a hammock, then people will lay in that hammock and will take it easy, and they won't be using their best skills. Their incentives go away as you raise the safety net up and as it turns into a hammock.

So we've had an intense health care debate going on here, and I'm very grateful for this. I'm grateful that we're able to have the time throughout the month of August to have town hall meetings all across this country—town hall meetings in Florida as the gentleman previous just said. There have been all kinds of town hall meetings in Iowa. In every State that I know of, Members of Congress have had town hall meetings.

Mr. Speaker, at this point, I want to thank my senior Senator, CHUCK GRASSLEY from Iowa, for engaging in the negotiations, in the debate and in the dialogue on the health care issue on the Senate side. It may well have been the single most important key factor that allowed for the debate in health care to be extended through the

month of August and past Labor Day to get us to this point in September where we are. If it hadn't been for Senator CHUCK GRASSLEY's having negotiated these health care issues within that Gang of Six in the United States Senate, it's possible and maybe even likely that they would have found a way to ram a bill through this Chamber, to put it through the Senate and through the House and on President Obama's desk before the August break.

If that had happened, the TEA party people would have had a different reason to come to town if they'd come at all. If that had happened, the town hall meetings never would have taken place in that way. They would have seen that they'd gotten run over by Big Government. By the way, this getting run over by Big Government isn't something that has just to do with health care at all. It's the current issue of Big Government's seeking to run over the individual freedoms of the American people.

We have watched—and this would be the 17th of September, today. Now, the day after tomorrow will mark the 1-year anniversary that Secretary of the Treasury Henry Paulson came to the Capitol and insisted that we present him with a \$700 billion check so that he could buy up the toxic debt that's on the financial markets and could avert a financial meltdown, a loss of confidence in our currency and in the financial institutions, which could have caused the global economy to crash. That's how it was presented to us by the Secretary.

He said, Give me \$700 billion, and I can't have any strings attached. If you have any ideas, don't try to offer them, he said, because I've been working on this for 13 months, and you've only known about it for 24 hours. So, therefore, whatever you come up with will only make my good idea worse, so just be quiet, and give me the money. That was essentially it.

We advised him, when you ask for \$700 billion in taxpayer dollars, you've stepped into the political arena. It isn't just a matter of being shielded in the U.S. Treasury, so it was a little harder for him. In the end, he got \$350 billion with another \$350 billion that was earmarked for the next year, which was to be approved by a Congress to be elected later and to be signed by a President to be elected later. This is what was going on almost a year ago today: Henry Paulson's trip to the Capitol at a time when he predicted that there was going to be a major financial meltdown of global finances, the U.S. economy being at the heart of it and leading it.

Now, he couldn't guarantee us nor could he predict that his effort and strategy with the TARP money, with the \$700 billion in TARP money, would actually be successful, but he did predict that, if we didn't do that, we would have an economic meltdown at least to some significant degree. That was a year ago.

Since that period of time, by the way, President Obama flew into town

to meet with President Bush. We had the Presidential candidate JOHN MCCAIN who did the same. They sat around the table at the White House, along with the Speaker of the House, the Republican leader, JOHN BOEHNER, and the leadership in the Senate. They came out of there with, I'll say, not quite a unanimous position but one that was to go forward with the TARP funding.

About half of the Republicans in this House voted "no." Most of the Democrats voted "yes." About half of the Republicans voted "yes." It split the party over here. It didn't really split the party over here. Spending money doesn't bother those folks on that side as much as it does on this side, would be my view.

So the TARP money was released, at least half of it in the beginning last year, closer into October, and it was followed by an election. By the way, this TARP money was voted for and was supported by the then-Senator and candidate for President Obama, who certainly asked for the balance of that TARP funding as President and got it. So this TARP money is President Obama's economy. It's a component of his solution, and it's part of the negotiations, and it answers why they were taking place with the Presidential candidates in the White House. President Bush knew there had to be a handoff that went to the next President, and the next President was sitting at the table in the negotiation room of the White House. It could have been either JOHN MCCAIN or President Obama—they were both there—but the next President was sitting at the table.

So, as they bought into this, this responsibility for the \$700 billion in TARP lays at the feet right now of the President of the United States, Barack Obama. He supported this program. He advocated for it. He voted for it. It's a matter of the CONGRESSIONAL RECORD.

Behind that, many argued, came the necessary nationalization of Fannie Mae and Freddie Mac, two government-sponsored enterprises. The chairman of the Financial Services Committee, BARNEY FRANK, had argued just in October of 2005 that he would not support a government bailout or subsidy of Fannie and Freddie. Yet, just 3½ years later, that's what happened.

Additionally, Fannie Mae and Freddie Mac received about \$100 billion in taxpayers' money each. Plus, about \$5.5 trillion in contingent liabilities went along with the deal of the Federal Government's finally nationalizing the balance of Fannie Mae and Freddie Mac, formerly a private organization/quasi-government at the time but now nationalized, nationalized by the White House and by the leadership of this government.

With that came the large investment banks. Just a couple of days ago was the anniversary of Lehman Brothers' going under if you'll remember. Then we saw the nationalization of three large investment banks—AIG, which

was the huge insurance company that was insuring the risk of the mortgage lenders as they packaged up and tranching and marketed these mortgages off on the secondary and tertiary markets. They broke them up, repackaged them—cut and shuffled them, so to speak—and sent them on up through the financial chain. The value of those mortgages and the risk of their default were evaluated by AIG. There really wasn't anybody looking over the shoulder of AIG.

There are other things that went wrong with the financial institution. There was the nationalization of Fannie Mae and Freddie Mac and of three large investment banks and AIG. This was flowing along, the President having been engaged in this all of the way.

Then we saw a \$400-and-some billion omnibus spending bill get passed off the floor of the House of Representatives without debate or examination. It was just simply: we've got to keep the government running, so we'll kick the can down the road, and here is a big stack of paperwork. In it is the spending of over \$400 billion.

At right about that same time, we had President Obama calling on this Congress to give him \$787 billion in the stimulus package. I remember that discussion as he came forward to our conference and was about to talk about and ask for \$787 billion. He said that Franklin Delano Roosevelt lost his nerve and didn't spend enough money. I might be paraphrasing slightly here. It isn't exactly a quote. Yet the theme of it is very consistent with what the President said. He said that President Roosevelt lost his nerve, and got to worrying about balancing the budget, and didn't spend enough money.

The result was, in the second half of the decade of the Great Depression, we had a recession within a depression, which brought unemployment up again in the latter half of the thirties. Then along came World War II, which was the largest stimulus plan ever, which got us out of the Great Depression.

That's not just it in a nutshell. That's almost all of the nutshell that was delivered by the President that day. As I listened to that, I thought: Mr. President, you and I took a completely different lesson from the Great Depression. Wherever his economic studies came from and where he evaluated this—mine, among other things, came from reading a significant amount of material and analyses of the Great Depression. Of course, my parents grew from that and out of that, and the things that they learned also were branded within myself and within all of my siblings. They told stories about how difficult it was during the Great Depression.

I went back into the public library with the intention of writing a paper about how FDR's New Deal was a good deal and how it brought us out of the Great Depression. As I read through every newspaper that was published in

my hometown newspaper—and that was twice a week, not a daily paper—from the stock market crash in October of 1929, I went through every paper, looking for the stories that had to do with the New Deal, with the CCC, with the WPA, and with the other programs that FDR brought through in the New Deal. I was preparing to write a paper that would show how the New Deal got us out of the Great Depression and how it moved America forward—how farmers were saved, how businesses were saved and how jobs were saved.

As I read through each newspaper throughout all of those years, from 1929 up until the Japanese attacked Pearl Harbor in December of '41, I got ready to write that paper. I had all of these notes that came from story after story, and I looked at the ceiling, Mr. Speaker, and I began to wonder: How am I going to write this? I can't find evidence here in the contemporary works in the newspapers that support what I've been told by the people who talked to me in the classroom.

So I wrote the paper. I wish I had a copy of it today. I'd love to have that and introduce it into the CONGRESSIONAL RECORD and give some other people some insight into what I was thinking at the time.

I remember clearly that I couldn't justify that the New Deal was a good deal, and I've certainly looked at a lot of materials since those years—that's 40 years ago, perhaps. The conclusion that I drew was that the Federal Government spent a lot of money. They borrowed a lot of money, and they set up a debt that was hard to recover from. The government wasn't willing to tighten its belt, but instead, it got the idea that they could borrow money and could spend money and could stimulate the economy—the Keynesian approach to economics. I couldn't buy that. I couldn't submit to that.

I came with a different philosophy, a philosophy that, for me, grows out of *The Wealth of Nations*, the book that ADAM SMITH wrote, which is the very foundation for free enterprise. In the 1,057 pages, which I think were in my book, you go through them in a fashion to understand how ADAM SMITH articulated it, and you can see that, even though he doesn't use the term "invisible hand," the expression is "the invisible hand of the consumer makes those decisions."

I talked about this last night on the floor, Mr. Speaker. Let's just say, if you're a bakery and if you're baking bread and if there's somebody out there who is selling bread for a buck and a quarter a loaf and it goes on the shelves in the store and if you can bake bread that is of similar or better quality and can sell it for a dollar, then you might get your little spot on the shelf where you get to put six loaves of bread, and the guy who has got the name brand has got two or three shelves, which are all full of his loaves at a buck and a quarter, and yours are at a dollar a loaf.

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Well, then, in comes the consumer, and they look at that and they think, I can save a quarter if I just buy that other brand of bread that I have never heard of. Why don't I try that. I will take that risk.

So they bring home this new loaf of bread. Well, that's good. If it's good bread, they will go back and buy that same brand over and over again, especially if it's cheaper. Meanwhile, the store owner realizes he is running out of those six loaves of bread that he is selling that are going like hot cakes, and the other bread is sitting there getting stale on him. He widens his shelf space for the bakery that is selling a high-quality product for a competitive or lower price.

That's how the good bread takes over the bread that is not as good at a higher price. That's how free enterprise works. That's how the invisible hand works. It goes in and pulls that loaf of bread off the shelf. It will look at the prices and the quality and those decisions that get made millions, and, in fact, billions of times across the country and across the globe. That demand, created by the discernment of the consumer, is what drives the production signals into all of our production in the country.

That is, how many loaves of bread are you going to bake? Well, the demand is such if you can only produce, let's say if you can produce 10,000 loaves of bread a day, and now the demand has gotten so great that you can't meet that demand any longer as a producer, someone who is marketing, then you would make the decision on whether you want to expand your operations, perhaps double them and produce 20,000 loaves of bread a day.

Or you might decide, I am as big as I want to be, and I think I can get a little more money for the bread that I have. You can raise the price. Then the price of that dollar loaf of bread could go to \$1.10, \$1.15, maybe even \$1.25, back to where the other competitors are.

Now you have a choice again, the consumer chooses on quality but not price. It can transition back and forth in a myriad of ways. This invisible hand is a wonderful foundation that has built Western civilization, free enterprise economy, and is often misunderstood by people that never got involved in commerce, didn't ever hire anybody, didn't ever make a capital investment or try to produce something, a good or a service that had value, and had to compete against somebody else that was getting up every morning and trying to figure out how to produce a good or a service that was of higher quality for a lower price than their competitor. That is a blessing to our country, to our economy, to Western civilization, the free enterprise economy.

This, the majority in this Congress, the President of the United States, and probably the majority in the United

States Senate, see this world differently. They think they can manage an economy. They think they can go through and nationalize these entities that I have talked about, and a government can manage better than individual consumers and people can manage.

To me, that is a breathtaking concept. All of my training and my experience and my life goes back to if consumers can make the decision and people that are engaged in business can do so for a profit, and the selection process is what makes it all work, why would we inject government in to make decisions? Government can't make better decisions than consumers can or individuals can or individual patients can.

There is no history of that happening anywhere in the world that I know of—government making better decisions. Now, it's true, the government has to do some things. We have to take care of the broad utilities out of the common good. We have got to take care of the transportation links. We have got to do as Abraham Lincoln said, defend our shores, carry the mail. He also said, Do for people that which they cannot do for themselves and otherwise leave us alone.

We are a long ways away from leaving us otherwise alone, and now the government wants to engage in taking over roughly one-sixth of this economy, the entire health care system in the United States and perhaps replace the entire health insurance industry and perhaps, and likely, replace the entire health care delivery system, with the single-payer one-size fits all. That's what's going on in the United States of America.

Mr. Speaker, I am just going to ask your attention to a little flashback I am about to offer here that will take us back to 1993 and 1994. This, Mr. Speaker, in the flashback mode, takes me back to September 22, 1993, which was the last time that a President of the United States spoke to a joint session of Congress on an occasion other than a State of the Union address. Otherwise, most recently we could go to last Wednesday evening when President Obama spoke to a joint session of Congress and advocated his national health care act.

But this was September 22, 1993, Bill Clinton right back there in front of where you are, Mr. Speaker, and he gave a speech that was about the national health care act that they wanted to get passed. Then Hillary Clinton was engaged in often closed-door meetings to try to find a way to put out a health care bill that could be a single-payer plan that would set up all the health care in America and make it work.

This is the infamous poster that shows HillaryCare with the network of new government agencies all tied together. This is a real and legitimate flow chart. In fact, this is lifted off of the archives of The New York Times.

I had one similar to this, and probably identical to it, that hung on my

office wall throughout the 1990s and on past the turn of the millennium. But this shows this massive growth in government, the government agency and programs here along this side, Mr. Speaker, shows patients and a global budget, the HMO provider plan, which doesn't have a lot of support these days. Here is an ombudsman, another ombudsman, so that we have liaisons between people and government, a regional health alliance, a corporate health alliance.

They took some existing and wired them together; accountable health plan here and accountable health plan there, wired through to a provider plan. It gets pretty complicated. Here is your HMO plan down here to the global budget and the patients.

Here are more government agency programs. Some of these acronyms I don't recall any more. But I remember that they were all quite a conglomeration of acronyms, and the growth in government is what scared the living daylights out of me as a man who was running a construction company, which I founded. And we had a number of families that worked for me, and we worked together. We provided health insurance for our employees and a retirement plan for our employees.

But I didn't want the government to come in and tell me what I could buy and couldn't buy. I didn't want them to take away my choices to work with my employees. I wanted to be able to offer them the best plan I could, the best employment package possible, because good people are good policy are good production, and a good product comes out of that. You simply cannot do a good job unless you have the right people in place.

We wanted the best people that we could hire. We wanted to provide them the best benefits package possible. I didn't want the government to limit that.

Yet here is this flow chart that I said scared the living daylights out of the me. This is HillaryCare. This is 1993 and 1994. This is the bill that brought Senator Phil Gramm to the floor of the United States Senate right down this hallway directly ahead of you, Mr. Speaker, to the other end of this building, when he stood on the floor of the United States Senate and he said, This will pass over my cold, dead political body.

This is what, again, scared the living day lights out of me, 1993-1994, and it scared the living daylights out of the American people, who eventually shut down and killed this initiative that was brought to the floor of the House here by Bill Clinton, September 22 of 1993. They really thought that they had put the plan in place, they had the constituency base and a method to get this bill passed. But the American people rose up and said "no." They have had enough, they wanted to maintain their freedom. They have done so with regard to health care for another 15 years or so, I guess I will say 16 years.

But, Mr. Speaker, things have changed. This is the old bill. The House has passed out of committees a new health care bill.

Now if you think black and white, all of these new agencies, the weight of government that a patient would have to wade through and the hoops they would have to jump through—we all know what it's like to deal with the government. That level of frustration with bureaucracy is ever present.

One of the reasons for that is the government ends up with a monopoly, and no one that works for a monopoly has the motivation to treat you—and to me there is no competition there to improve the quality or the service.

And so, here is the black and white HillaryCare flow chart, here is a new, modern, Technicolor, some call it the jelly bean flow chart, that comes from H.R. 3200, the main bill that has passed out of several committees here in the House, including the Ways and Means and the Energy and Commerce Committee.

This new flow chart shows a bill that's different than HillaryCare in some respects. It doesn't take it all with one giant bite. It takes a great big step towards a direction of socialized medicine, in my view. It doesn't guarantee that it ends up being socialized medicine, but it certainly will cause a significant concern that that is what it ends up being.

Each of these black and white circles or squares or boxes here are existing programs or government agencies. The color ones are new government agencies that have to be created in order to have the bureaucracy to manage this H.R. 3200, the government option plan.

The part of this flow chart, Mr. Speaker, that concerns me the most resides down here in the center bottom of this chart, this chart which is available on my Web site. If you are interested, Mr. Speaker, you can simply just Google Congressman STEVE KING. On the front page, the homepage of my Web site, is a link that will take you directly to this flow chart and one or two others that are quite instructive.

But on this flow chart, here is the part that I would ask attention to. The bill, and this is the vehicle that we are working with here in the House, this isn't something that's not been legitimized by committee passage; it has been. Here is a new agency, the Health Choices Administration. It creates a Health Choices Administration to determine what choices the American people might have when it comes to health insurance. A new government agency to determine what health insurance is legitimate, takes it out of the hands of the States and puts it into the hands of the Federal Government. I think the States take too much authority there myself.

The boss, the person that heads up the Health Choices Administration, is the new Health Choices Administration commissioner. Now, he is not named, and it could be a she. This individual is

not named as a czar, because I believe the people that wrote this bill understood that America is full up to here with czars, we are over-full with czars. The President has at least 32 czars by most definitions and perhaps as many as 47 by other definitions.

They are circumventing the confirmation process that vets these candidates for Cabinet positions and other confirmation-level appointments. Instead the President is appointing people that circumvent and eclipse the authority of people in Cabinet positions.

How about the Middle East peace czar who has stepped above the Secretary of State when it comes to negotiating peace in the Middle East? How about the former, what do we call him, the green economy czar, the former czar, Van Jones? A lot of us had something to say about him when we found out that he was a self-avowed Communist, and he had some very radical ideas. Finally, when the Americans found out about Van Jones, the pressure that came caused him to step down rather than the President to dismiss him.

But, how about the executive pay salary czar? What is the White House doing with a position that doesn't exist in the Constitution, but someone who is going to look over the shoulder of executive pay for major corporations in America and determine if the CEO can be making a million dollars a year, but having no heartburn about what Michael Jordan made or, let me say, how about, how much money Tiger Woods makes playing golf? No heartburn over that, but a lot of heartburn over somebody that is actually making money and concerned that they are making too much and want to tax that. That's class envy.

Remember if you are making less than \$250,000 a year you don't have to worry, because this President won't raise your taxes. That's clearly a class envy statement, and Joe the Plumber drew the line really clear. He did that in a way that I know it wasn't planned in advance, it just came from his heart; he wants freedom. I am looking forward to maybe sharing the stage with Joe the Plumber next week in St. Louis.

But these czars, we have too many, and we shouldn't have any. There should be congressional oversight over these high-level positions.

But the President of the United States can appoint Cabinet-level people, and they go through the confirmation process, according to the Constitution in the United States Senate, and that happens. That's a good thing. But when he appoints people that have authority over czars that aren't subject to congressional oversight, that's a bad thing.

□ 1745

This Health Choices Administration commissioner would be, for all intent and purposes, a czar, a czar with authority to be able to write all kinds of

rules. A commissioner is what they call him. I sometimes call him the "commi-czar-issioner" to be able to describe it a little more accurately. This commi-czar-issioner, the Health Choices Administration commissioner, would make the decision about what private insurance policies would be approved. These are the private insurers right now in this white box. In order for them to become—and they are traditional health insurance plans, these are the companies here in this little box, 1,300 health insurance companies are in the United States. There are 1,300 separate companies selling health insurance in the United States.

Remember when President Obama said we need more competition in the health insurance industry? Did he say he thinks the appropriate number for health insurance companies would be 1,301, because that is really what he is talking about conceptually. There are 1,300 private insurance companies selling, in this white box here, policy combinations; so the variety is extended to approximately 100,000 different policy varieties that are offered by 1,300 companies. And the President's view is we need to put some competition in place.

I think we can do that in some easy ways, but I want to make sure that we understand what this means. The Health Choices Administration commissioner would write the rules. The commission would approve them. But they would write the rules on what health insurance policies would qualify under this bill to be sold in the United States.

So I could guarantee you that if this bill passes in this kind of form, then there will not be 100,000 policy varieties for people to choose from because the Health Choices Administration commissioner would regulate them in such a way that a number of them would become disqualified. They couldn't become qualified plans. We know that is true otherwise there would be no reason to create the Health Choices Administration commissioner, and there would be no reason to have language in the bill that establishes the qualified health benefits plans.

That is this purple circle. The qualified health benefits plans. So that 100,000 plans number would be reduced I think by a significant number. I think that the health choices commissioner would write regulations that would chop those 100,000 policy varieties down dramatically and reduce the numbers that are offered. They would argue that it confuses the consumer. So, therefore, we have to consolidate that and offer something that the consumer can understand.

Over here in this other circle is the public plan. The government option is over here in this health insurance exchange. So the government option then has to compete with what is left of the private insurance companies and the private health insurance policies, those that aren't regulated out of existence by the new health insurance czar.

Now let's just pick a number here. I don't think anybody has any idea; but if these 100,000 policies that are available today become 50,000 policies almost at the beginning of the new regulations, and as the competition from the government option begins to take hold, those 100,000 policies that became 50 are reduced to 25, and maybe 10,000 policy varieties; and then you can divide that by the number of States, and you get one-size-fits-all for all of the States, and you can reduce your 10,000 again to maybe a thousand. And then if you divided by five again, you end up with 200 policy options maybe, if you took the 10,000 policies and divided by the 50 States.

I believe that is about the 200 policy opportunities that one can buy. You reduce the number of companies as well. Companies would consolidate and they would merge and they would start writing policies that were at the direction of the Health Choices Administration commissioner, the czar.

So the Federal Government would write new regulations for two reasons. In the end, it would be so they could compete with the private sector that has been decimated by the new rules. They will then set the premiums of the government option. Those premiums will have to be competitive with what's left of the private health insurance. They will set their premiums, and then they will write the regulations so the private health insurance has difficulty meeting those standards so that the Federal Government can compete in this business. And in the end, this purple circle here with 1,300 companies and 100,000 policies gets shrunk down to a tiny circle of its former self.

This circle here created by the bill, the public health plans, the government option grows bigger and bigger and bigger until it encompasses perhaps all of the health insurance in America.

Now, some will say, Mr. Speaker, this is radical reactionary talk. I will submit that it is not. There are patterns that have gone before us that we can learn from. In 1968, the Federal Government passed the Federal flood insurance program. There were private property and casualty companies that were selling flood insurance at that time. There wasn't as much demand in the marketplace as there is today. We had had a number of floods and natural disasters that had taken place over the previous generation that had brought this to a head in Congress, and so they passed legislation that set up the Federal Government in direct competition with the property and casualty insurance companies that were in the private sector selling flood insurance to people in the floodplains.

Now this is complicated, and there are lots of ways you can make this argument on either side, whether the Federal Government should or should not have engaged in flood insurance. But they engaged in flood insurance; and when they did, they also directed

that national banks that were writing, loaning money on mortgages on real estate that were in a floodplain, those loans had to include flood insurance as part of the loan. So if you went out into a floodplain—and by the way, I have one county that I represent that is 40 percent floodplain, the Missouri River bottoms area of Monona County is about 40 percent floodplain. To invest in anything in that floodplain, you had to buy flood insurance. That was a Federal law.

So over time, and a shorter period of time than one might imagine, from 1967 when there wasn't any Federal flood insurance available but only through private until a few years after that, the bill passed in 1968 and it took a while to get it implemented, a few years after that, there is no private flood insurance left in America. The Federal Government squeezed out all of the private and took it all over for themselves. Not only that, they created a market by setting a mandate that if you are going to borrow money from a national bank that goes into real estate in a floodplain, you have to pay the premium, their premium for flood insurance.

Now the Big Government people will argue that is a good idea and that it provided flood insurance for people that didn't have it and it took us somewhat out of the business of sending disaster money. Well, guess what, it didn't get us out of the business of sending disaster money. We sent, the first round was \$10.5 billion down to New Orleans after Katrina. The second round was \$51.5 billion to New Orleans. There were several other bites at the apple, and I am confident that the total is over \$100 billion, and there are still requests to go to that area.

So the flood insurance that existed in that area didn't solve the problem completely. I think it has helped. But that is an example. Flood insurance is an example of what can happen and probably is likely to happen to the private health insurance market in the United States.

When the Federal Government engages, they write regulations that favor the Federal Government and disfavor the private sector and set their premiums so that this purple circle shrinks, that is, the private plans. This purple circle, that is the government plans, grows.

Oh, and by the way, the Federal flood insurance program is \$19.2 billion in the red with no way to pay for it except to come back to this Congress and ask for that \$19.2 billion, which we have to borrow from the Chinese.

So wouldn't we be better off with a private sector solution? And maybe if the premiums that were paid on flood insurance would have reflected the real risk, we might have built a lot more buildings up above the floodplain so they didn't have to pay the flood insurance premium or they could afford a premium at a higher elevation.

I know these things because I have spent my life working in a floodplain

and with drainage projects and hydrology.

That is what can happen with health insurance, and this ought to scare us. It should scare the living daylights out of us. If it begins to scare us at all like it did during HillaryCare in the early 1990s, the American people will continue to do what they did, come to the town hall meetings, fill them up, write letters, get on the radio. Go see your Congressman. Let them know that you are intense about maintaining your freedom. That is a portion of this.

Now, the President of the United States has made the argument that we have to fix health care before we can fix this economy, this economy, by the way, that has had 30 percent of its profits nationalized by the Federal Government within the last year. That is again the components of the nationalization that took place in between the TARP and some of it that came out of TARP when they started buying up and nationalizing large investment banks.

But \$700 billion in TARP, three large investment banks were nationalized. Lehman Brothers went down. AIG, the large insurance company, nationalized. Fannie Mae, Freddie Mac, nationalized. General Motors, Chrysler, all nationalized. You add that all up, we are looking, Mr. Speaker, at 30 percent of the profits of the private sector in the United States now under the control of the Federal Government. And that is nationalized.

On top of it, there is an attempt here, right here in this chart, H.R. 3200 or the Senate version of the bill or whatever you would like to look at, that seeks to nationalize eventually another 17.5 percent of our economy. When you round that to the nearest percentage, that becomes, at least by one analysis, 48 percent of the private sector nationalized by the Federal Government. And when the private sector is nationalized, the freedom of the American people is diminished. That is what is going on, Mr. Speaker.

And the President has said health care costs too much money. We have to fix an economy that is in an economic crisis, and we can't fix that economy unless we first fix health care because health care costs too much money at 14.5 percent of our gross domestic product. The average of the industrialized world is about 9½ percent of their GDP. We don't know that they are comparing apples to apples because there are many government-sponsored enterprises and the nationalization that has taken place in those other countries, we are a different people, Mr. Speaker. We are a Nation that lives and breathes freedom. We want our choices. We want our freedom. We are willing to take some risks. We want to reward people that take risks and succeed. But if we spend too much money on health care, let's have a debate on how to fix that. Perhaps I will come back to that in a moment.

But I want to take us to the next point, the President's next point,

which is the other big problem. The first one is we spend too much money on health care. The other big problem is we have way too many that are uninsured: 47 million Americans are uninsured. Well, I happen to have a little poster that helps illustrate that, Mr. Speaker.

This poster illustrates the universe of the 47 million uninsured. It says that the uninsured are not all the same and you have to break it down. The 47 million number is not on here. The other poster that I had last week does. This data is produced by the Republican Conference in the United States Senate. Down that hallway, not out of this shop, but on their side. That is the source of it. This is 47 million. Now do we want to cover all of the people in this 47 million? We would believe that the 47 million are all middle and lower-middle class working families that are working for some—they want us to believe this, I don't believe it, that are working for some miserly employer that is pocketing the profits but won't provide health insurance for his employees.

First, I will say that many employers do. They do so to be competitive because they want a high-quality standard of people that will come to work for them. We all want the highest level we can, and so we want to pay as much money as we can and the best benefits as we can. The 47 million that are uninsured at any given time, that is a snapshot, Mr. Speaker, and aren't comprised 100 percent of the middle- and lower-income working poor. To some degree they are, but we start with 47 million and we start to subtract.

First, those who are in the United States illegally, this chart says undocumented, noncitizens. Those are illegal aliens in the United States. This chart says 6 million. The other data I was looking at which comes from the Senate Conference is 5.2 million. In any case, the next level of immigrants here are noncitizens who may not be eligible for government-sponsored health care. They are probably not eligible because the law in the United States, if you come to the United States, you are barred for 5 years from receiving welfare benefits. We don't want to be a magnet for people who come in here and see the United States as just a giant ATM that they can cash in on. So this is 4 million. In any case, the old chart was 5 million. So we are at 10 million people. We don't want to cover this. We don't want to reward illegals to come to the United States and cash in on ObamaCare. We would rather say to them, why don't you wake up in your home country and go build the economy in your own nation or get in line and do it the legal way behind the people who are in line waiting to come in the legal way right now.

□ 1800

So we have 10 million people of immigrants that don't qualify. They're part of the 47 million. Then we have, of the

people that are earning over \$75,000 a year, we have 9 million of those. They could presumably find a way to write a check and take care of their own premiums.

Then we have those eligible for government programs but are not enrolled. Generally, that's those eligible for Medicaid that didn't bother to sign up. That says 10. It's 9.7 million. We've got to split a couple hairs here because we're going to get down to decimal point, Mr. Speaker.

Also, of those that we don't want to insure—at least I don't—are those eligible for employer-sponsored insurance but not enrolled in it. They turned down their employer's policy or didn't bother to sign up. That's 6 million.

So, of 47 million—and when I say I don't want to insure them, I think that they should take their own responsibility to do that. They have affordable options or they're disqualified because they're illegally in the United States or barred by law.

Those left, the Americans without affordable options, aren't 47 million. They're 12.1 million people. Now, that's still a lot, but it's less than 4 percent of the population. It's a little larger than the population of Iowa. But here they are right here in orange.

Now, there's one more point to make. Out of these 12.1 million people, the Americans without affordable options, what the people who are proposing ObamaCare would like you to believe is 47 million and a crisis now become a little sliver of the American society, and I'll show you how.

This is the population of the United States, Mr. Speaker. This bluish circle represents about 306 million, perhaps as many as 307 million Americans. These people that are in—well, all this whole circle does. This big chunk of the pie, the blue chunk of the pie, represents 84 percent of the population. Those are the Americans that are covered by a plan, whether it's a private plan, employer-provided plan, Medicaid and Medicare. Americans that are covered by a plan, 84 percent of the population. Sixteen percent are not. The number is around 15.5 when you start splitting the hairs.

But here are the categories that they come in. Yellow are the illegal immigrants. Now, we already know that the President has said even that he's not going to support funding illegals in the health insurance exchange. It's pretty interesting. It really did infuriate a lot of the open borders people in the country. But the President has said so, and we're going to hold him to his words that we're not going to fund illegals.

Another 2 percent of those are under the 5-year bar. That's the black. Those are legal immigrants that are barred by law. Now we're at 4 percent. Here's 3 percent, which are individuals earning more than \$75,000 that didn't take the trouble to get insured.

And here's another 3 percent in green. Those are those that are eligible for the government programs. These

are the Medicaid eligibles, for the most part, that didn't bother to sign up. And in blue are those eligible for employer-sponsored, those 6 million, but they didn't bother to sign up or they opted out.

So when we look at this chart, we're trying—I think this is where the bipartisan outreach comes in. We're trying to fix a problem of the Americans without affordable options who are not insured and they don't really have an option, affordable option. That's that orange. That's the less than 4 percent that I mentioned when you start to subtract the others.

So think of this chart as everything but the orange is covered in one way or another or else they can take care of themselves and are, by law, with the case of illegal immigrants, required to do so. We're only down to this original sliver, less than 4 percent of the population.

Now I will submit, Mr. Speaker, that this bill, this jelly bean chart, H.R. 3200, scare-the-living-daylights-out-of-someone-in-technicolor chart right here is designed to completely transform 100 percent of the health insurance that exists today in the United States and 100 percent of the health care delivery system in the United States, the best system in the world being transformed completely by H.R. 3200. Thirty-one new agencies and a new health choices insurance czar who would write regulations and wipe out a lot of health insurance in America, all of that, a hundred percent transformation by this flowchart bill, to address this little less than 4 percent of Americans without affordable choices.

Mr. Speaker, I will submit that that is a radical approach to a problem that isn't nearly as bad as the people who want to have a socialized medicine plan would like to have the American people believe. And I'm going to list the things that the Republicans want to do about it, and then I want to yield to the gentlelady from Minnesota.

We want tort reform on this side of the aisle. We're not on the side of the trial lawyers. We want people to buy health insurance across State lines everywhere in America. We want portability so you can take your policy with you.

We want to expand health savings accounts so they can become retirement accounts if you have a healthy life and you manage your health. We want to have full deductibility for everybody's health insurance premium. We want electronic medical records with protection of people's integrity of their record so it doesn't leak out.

We want to have expansion of associated health insurance policies so groups of professionals can join together to buy insurance. And we want transparency in billing so we can see who's charging who what. And, again, the consumer can make those decisions. And we need to also take a look at long-term care so people can manage their lives in a more efficient way.



That's what Republicans want to do. That's what I want to do. And now I want to do something else, and that is I'd love to yield to the gentlelady from Minnesota, MICHELE BACHMANN, who is always in here fighting for truth, justice, and the American way.

Mrs. BACHMANN. I must have my cape on. To the stunning gentleman from Iowa, the great STEVE KING, I want to thank you for allowing me to be a part of this discussion that you're broaching. And you've done a wonderful job all week on different occasions talking about the true depth of this problem and the positive alternatives.

I appreciate the fact that you've tried to lay context about truly how many people are in need of insurance and how many people are without coverage. That's a very important part. We can't make true decisions unless we actually have the facts on the table. And I'm also extremely grateful that you're trying to give a positive alternative.

We're looking at a couple different options here to deal with health care. One would be President Obama's option, and the option that's been offered here in the House with essentially about a trillion dollars of spending on health care, and in the Senate, with something like \$850 billion worth of health care from Senator BAUCUS that was just released.

Senator BAUCUS' plan so far has not engendered much bipartisan support. I think there's a reason for that. It's because of the tremendous tax burden on the middle class of the Senate plan, and I'm sure we'll be talking about that as we go forward.

But here's a part of our positive solution. We can have one plan that will burden future American taxpayers with trillions of dollars in unfunded mandates, trillions of dollars of spending, borrowing, taxing, and that is a burden as we go forward when our country can least afford it. Or, we can take an alternative that would free up our economy and give free choices to the American people and not add to the burden of our Treasury.

It's very simply this: As my colleague STEVE KING of Iowa has said, we want freedom for the American people. We want the American people individually to own their own health care. Just like they own car insurance, just like they own their house insurance, we don't want the government to own their insurance policy. We don't want the government to call the shots or have control over people's health care decisions, or their employer. We want people to own it individually.

Then, next, we want people to have the freedom to band together with whomever they prefer, whether it's Realtors or teachers or farmers or maybe a community, like a credit union. You come together in a geographic area. You join together with whomever you want to buy or purchase a policy. So you have purchasing power.

Next, we want people to have freedom to buy any policy they want, any-

where they want in the country, from anyone they want to purchase the policy from. True choice in purchasing insurance.

Then, as my colleague STEVE KING said, we want people to be able to set aside in an account, whether it's \$5,000 a year or \$10,000 a year or \$15,000 a year, tax free. In other words, you take that money out of your earnings or out of your savings and you put it tax free in an account up to a certain amount.

If you spend more than that account, then you can deduct those health care savings off of your income tax return. That would include eyeglasses, dental work, hearing aids, chiropractic care. Whatever your health care would be, you get to fully deduct that.

Finally, we want lawsuit reform so that we don't have unnecessary spending so that doctors can try to protect themselves from frivolous lawsuits.

These are very simple, commonsense solutions. And you notice not one of these solutions requires a vast infusion of Federal tax money. That's because it's called freedom. That's the American way. And that will solve about 95 percent of our health care problems.

Will we need a government supported safety net? Always. We will always have one because there will always be people who, through no fault of their own, have physical conditions that won't allow them to work, that won't allow them to be able to pay their premiums or pay for their health care. We can afford—and we must pay for those people. But for the vast, overwhelming majority of people we can make health care affordable. That's why the proposal that was just offered by Senator BAUCUS is so concerning on the Senate side.

Congressman STEVE KING has made an excellent case against the House measure, H.R. 3200, and he made an excellent case why this option is so expensive and so burdensome on the individual. The reason why the Senate plan is equally negative in our eyes is for this reason.

I take this out of the Wall Street Journal. It said: The centerpiece of the Obama-Baucus plan—because, remember, it was just a week ago here in this Chamber when President Obama essentially backed the Senator BAUCUS version of the health care plan.

But this is what the Wall Street Journal has to say today: The centerpiece of the Obama-Baucus plan is a decree that everyone purchase heavily regulated insurance policies or pay a penalty.

Now, imagine that. I don't even think this survives a test of constitutionality. The Federal Government would make the American people purchase a product or service that people don't want to buy, and the government would fine them and tax them with penalty of going to jail if they don't buy the product or service that the government tells them they have to buy.

Think of how incredible this is. The enforcement of this mandated, brute

force health care policy would be enforced by the Internal Revenue Service. So we would be forced to buy services and products we don't want to buy at a cost we can't afford, and the Internal Revenue Service would be the enforcement mechanism.

This is not what the American people want to have, which is why the Republicans' positive alternative makes so much sense. You own it, you band together with anyone you want to purchase in any amount of policy from anyone you want, anywhere you want, with tax-free money or money that you deduct on your income tax policy, and then we have lawsuit reform.

I think it's a great alternative, and I yield back to the gentleman from Iowa.

Mr. KING of Iowa. I thank the gentlelady from Minnesota. I couldn't have asked for a better composite rendition of what we're looking at here from the health care industry and what's being driven on one side of the aisle versus that of the other and the choices that we have and the options that are there.

I think, Mr. Speaker, the things are that are not considered are that good ideas don't get debated when the wrong people hold the gavel, and I'm not speaking of you. I know my time has run out.

I appreciate your indulgence, the gentlelady from Minnesota, and I yield back the balance of my time.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COSTA (at the request of Mr. HOYER) for today.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Mr. EDWARDS of Texas, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. HEINRICH, for 5 minutes, today.

Mr. GRAYSON, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

(The following Members (at the request of Mr. SOUDER) to revise and extend their remarks and include extraneous material:)

Mr. POE of Texas, for 5 minutes, September 24.

Mr. JONES, for 5 minutes, September 24.

Mr. BURTON of Indiana, for 5 minutes, September 22, 23 and 24.

Mr. SOUDER, for 5 minutes, today and September 22.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's